

# House File 648 - Introduced

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON ECONOMIC GROWTH

(SUCCESSOR TO HF 280)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to distress criteria for enterprise zones.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
3 TLSB 1895HV 82  
4 tm/es/88

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1 1 Section 1. Section 15E.194, subsection 5, paragraph a,  
1 2 Code 2007, is amended to read as follows:  
1 3 a. A city of any size or any county may designate an  
1 4 enterprise zone at any time prior to July 1, 2010, when a  
1 5 business closure or permanent layoff occurs involving. The  
1 6 business closure or permanent layoff must involve the loss of  
1 7 full-time employees, not including retail employees, at one  
1 8 place of business totaling at least one thousand employees or  
1 9 four percent or more of the county's resident labor force  
1 10 based on the most recent annual resident labor force  
1 11 statistics from the department of workforce development,  
1 12 whichever is lower. A permanent layoff does not include a  
1 13 layoff of seasonal employees or a layoff that is seasonal in  
1 14 nature. For purposes of this paragraph, "permanent layoff"  
1 15 means the elimination of jobs from business operations, the  
1 16 loss of jobs to an out-of-state location, the cessation of one  
1 17 or more production lines, the removal of manufacturing  
1 18 machinery and equipment, or similar actions determined to be  
1 19 equivalent in nature by the department. A permanent layoff  
1 20 must occur on or after February 1, 2007. The enterprise zone  
1 21 may be established on the property of the place of business  
1 22 that has closed or imposed a permanent layoff and the  
1 23 enterprise zone may include an area up to an additional three  
1 24 miles adjacent to the property. The area meeting the  
1 25 requirements for enterprise zone eligibility under this  
1 26 subsection shall not be included for the purpose of  
1 27 determining the area limitation pursuant to section 15E.192,  
1 28 subsection 4. The closing business or business creating a  
1 29 permanent layoff shall not be eligible to receive incentives  
1 30 or assistance under this division. An eligible housing  
1 31 business under section 15E.193B shall not receive incentives  
1 32 or assistance for a home or multiple dwelling unit built or  
1 33 rehabilitated in an enterprise zone designated pursuant to  
1 34 this subsection.

## EXPLANATION

1 35  
2 1 This bill relates to distress criteria for enterprise  
2 2 zones.  
2 3 Currently, a city or county may designate an enterprise  
2 4 zone at any time prior to July 1, 2010, when a business  
2 5 closure occurs involving the loss of full-time employees, not  
2 6 including retail employees, at one place of business totaling  
2 7 at least 1,000 employees or 4 percent or more of the county's  
2 8 resident labor force based on the most recent annual resident  
2 9 labor force statistics from the department of workforce  
2 10 development, whichever is lower. The bill changes the  
2 11 requirement from a business closure to a business closure or a  
2 12 permanent layoff. The bill defines the term "permanent  
2 13 layoff". The permanent layoff must occur on or after February  
2 14 1, 2007. The bill provides that the closing business or  
2 15 business creating a permanent layoff shall not be eligible to  
2 16 receive incentives or assistance under the enterprise zone  
2 17 program.  
2 18 LSB 1895HV 82  
2 19 tm:nh/es/88

